FOR MYSORE STATE

Food and Agriculture (1950) Department.

Mis SERIES.

Letter.
~~G.O.~~ NO. 164 Food and Agriculture.

Dated 25th January 1950.

[Despatch Abstract.]

Agriculture – Grow More Food – Machinery Seeds from Thompson disposal Committee – Grant from the Government of India. – Request of

AGRICULTURAL DEPARTMENT.

From

Sri B.M. Lakshmipathy, B.E.M.E.,
M.R.A.SE.,

Joint Director of Agriculture,

Rushkyrum, 2 club House Road,

Mount Road, M a d r as .2.

To

The secretary to Government,

Development Department,

Fort. St. George, Madras.

S-4-388/49 dated 16--6--1949.

Sir,

Sub: AGRICULTURE - Grow More Food - Machinery received from Thompson Disposal committee Grant from the Government of India.

Ref: Letter No. Ms. 2346 Development, Department dated 8-5-49.

- - - - -

I request to be informed whether the Government of India have agreed to sanction half grant amounting to Rs.4,54,860/7/-

P. Shanmugasundaram, 17-6-49.

For Joint Director of Agriculture.

v.n.m.

/true copy/

Prepared R. Rohtamaddi

N. Raghavan

DEVELOPMENT DEPARTMENT.

Letter No. 64038 A IV /49.1 dated 27-6-49.

To

The Secretary to the Government of India,

Ministry of Agriculture,

N e w D e l h i.

Sir,

Sub: AGRICULTURE - Grow More Food - Machinery received from Thompson - Disposals committee - Grant from the Government of India - Revised proposals - Sanction.

Ref: This department's letter Ms. No. 8346 Development d/2-5-49.

- - - - -

I am directed to enquire when the sanction of the Government of India to the half grant of Rs.4,54,860/7/- with the letter referred to may be expected.

The matter may kindly be expedited.

copy to the Joint Director of Agriculture with reference to his letter No. ss4 386/49 d/ 26-6-49.

v.n.m.

No. F. .8,-51/48 G.M.F.

Government of India.
Ministry of Agriculture,
New Delhi, the 21st July 1949.

From

Shri S.T. Raja, B.A., LL.B., Barrat - law,
Under Secretary, Ministry of Agriculture,
Government of India.

To

The Secretary to the Government of Madras,
Development Department, Madras.

Sub: AGRICULTURE - Grow More Food - Machinery received from Thompson Disposal Committee - Grant from the Government of India.

Sir,

I am directed to refer to your letter No. 2346 dated the end May 1949, on the subject mentioned above and to say that the Government of India regret their inability to sanction the grant asked for the following reasons:

1. The Government of India subsidise depreciation charges only in respect of the machinery used in connection with the specific Grow More Food Schemes. The Provincial Government have not indicated the specific use to which the machinery was put.

2. The Provincial government should also recover the private farmer's share of depreciation in connection with the scheme where the machinery is used and then claim the subsidy on the usual basis.

3. The M.B. Sheds are to be used by the Provincial Government for storing of implements, seed and manures. This is a normal provincial responsibility and as such not eligible for subsidy. The use to which Jeeps were put has not been specified and prima facie the State does not qualify for a subsidy.

Food and Agricultural Deptt.

Endtt. No. 64038 M/49 - 3 dated 18-8-49.

Referred to the Joint Director of Agriculture for very urgent remarks. He is requested to furnish full information on the points raised by the Government of India, with a view to enable this government to press that government for the sanction of the grant asked for previously.

To the Joint Director of Agriculture,(A & C)
with reference to his letter No. ss 4.
74714 d/13-8-49.

O.N. Finance see after issue. What is Joint Director of Agriculture going to say? Please put up a note. It is for finance to decide.

AGRICULTURAL/DEPARTMENT.

From

B.M. Lakshmipathy, B.E. ME.,
M.R.A. S.E.,
Joint Director of Agriculture.
"Rushkyram"
8, Club House Road, Madras.

To

The Secretary to Government.
Food department,
Fort St. George, Madras.
S.S. 4. 744/49 dated 13-8-49.

Sir,

Sub: AGRICULTURE:- Grow more Food Machinery received

AGRICULTURAL DEPARTMENT.

From

Sri B.M. Lakshmipathy, B.E. M.E.,
M.R.A.S.E.,

Joint Director of Agriculture,

"Rushkyurm",

2 Club House Road, Madras . 2.

To

The Secretary to Government,

Food Department, Fort St. George,

M a d r as.

No.S.S. 4. 744/49 dated 13--8--49.

Sir,

SUB: AGRICULTURE - Grow More Food - Machinery received from Thompson Disposals Committee - Grant from the Government of India - Sanction for the year 1948-49 Requested.

- - - -

In their letter No. 64038 A IV /49 - [illegible] Government Development department, have reminded Government ~~government~~ of India for the sanction of Rs.4,54,869/7/- being the share of expenditure of Government of India for the year 1946-47 and 1947-48. The sanction is still awaited.

The share ~~money~~ of expenditure to be obtained from government of India for the year 1948-49 is Rs.2,55,979/2/- Details are furnished in the annexure. I therefore request that the sanction of the Government of India may be obtained for the total amount of Rs.7,10,839/9/- Accountant General has not been addressed for debiting this amount to the Government of India as their sanction is still awaited.

sd. B.M. Lakshmipathy.
Joint Director of Agriculture.

v.n.m. 11/6/

true copy

Compared.

ANNEXURE.

STATEMENT SHOWING THE PARTICULARS OF DEPRECIATION AND INTEREST ON THE CAPITAL COST OF MACHINERY ACQUIRED FROM THE THOMPSON DISPOSALS 1948-49.

S. No.	Description of machinery.	No. purchased	Capital cost.	Depreciation at 20% of the capital cost.	Interest at 5% of the capital cost.	Total.	Government of India's share
1.	Cost of 36 tractors and equipments.	36	3,76,813	₹1,74,162 10 0	43,540 10 0	2,17,703 4 0	£1[illegible],851 10 0
2.	Cost of 40 nos of 3 ton trucks.	40	2,04,000	40,800	10,200 0 0	51,000 0 0	25,500 0 0
3.	Cost of 30 nos. of jeeps.	30	1,20,000	24,000	6,000 0 0	30,000	15,000 0 0
4.	Cost of M.B. Sheds.	46	6,20,000	1,64,044	41,011 0 0	2,05,055 0 0	1,02,527 8 0
5.	Palapone oil Engine.	9	32,800	6,560	1,640	8,200	4,100 0 0
			20,47,853	4,09,566 10 0	1,02,391 10 0	5,11,958 4 0	2,55,978 8 0

Rs.2,55,979 2 0

sd. B.M. Lakshmipathy,

Joint Director of Agriculture.

Regarding Item 1,2,3 there is no change. Previous years figures have been adopted.

Item No. 4 M.B. Sheds. A capital expenditure of Rs.8,20,220 has been incurred upto 31-3-49. Only 80% depreciation and x 5% of interest has been claimed so far 38 sheds have been erected and it is estimated that there will be a savings of Rs.6,345 The saving has not been taken into account in claiming the depreciation and interest as is done in the case items 1,2,x and 3.

Item 5 . Pelapone engines: one engine has been sold to a ryot in salem. Hence only cla[illegible] depreciation and interest has been made on 8 engines only.

YEAR.	TOTAL DUE FROM GOVERNMENT OF INDIA.
1946-47 and 1947-48.	Rs.4,54,860 7 0
1948-49	Rs.2,55,979 2 0
Total.	Rs. 7,10,839 9 0

copy to T.T. section.
S. & T. section.
spare 4

(TRUE COPY)

Compared.
R. Mohammad
N. Raghavan

Food and Agriculture Department.

The Joint Director of Agriculture,

Madras.

I am directed to invite attention to Government endorsement No. 64038 M/49-3 dated 22-8- 49, and to request that the reply to it may be expedited with information as to:

1. the state at which the matter now is and

2. and the date by which a reply may be expected.

Office F..& A. Deptt.

Station. Fort. St. George,

Dated 6-10-49.

SUBJECT.

AGRICULTURE - Grow More Food - Machinery received from Thomspson disposals - Grant from Government of India.

REPLY.

To

The Secretary to Government,

Food and Agriculture Department.

~~Agriculture~~

The matter is under examination and my reply will be submitted shortly.

sd.

for Joint Director of Agriculture.

From

SRI B.M. Lakshmipathy, B.E. M.E.? M.R.A.S.E.

Joint Director of Agriculture, Madras.

The Secretary to Government,
Food and Agriculture, Department,
Madras.

J.D.A 744/49 dated the 9th November 1949.

Sir,

SUB: AGRICULTURE - Grow More Food - Machinery received from Thompson Disposal Committee Grant from the Government of India.

Ref;Government endorsement No. 64038 M/49/3 dated 28th August 1949;

The Government of India has raised three points for expressing their inability to sanction the grant asked for. I have been asked to furnish full information on the points raised by Government of India to press for the ~~sanction~~ sanction of grant asked for previously. Each of the points is dealt with below seriatim.

1. The Government of India subsidise depreciation charges only in respect of the machinery used in connection with the specific grow more food schemes. The Provincial Government have ~~yet~~ not indicated the specific use to which the machinery was put to.

These 36 machines were all used for clearance of scrub jungles and for levelling and bunding virgin areas and old abandoned lands since they were heavy caterpillars equipped with bull dozers and earth mover attachments. They were generally used in the scheme for reclamation of waste lands with tractors on subsidised basis for which the government of India have sanctioned their grant for the year 1946-47

1947-48. (vide G.O. No. 740 Food Development department dated 11-8-49). The depreciation and interest on these 56 tractors was not included in that scheme as a separate grant was expected for the purchase of Thompson disposal articles with reference to sub para ii of para 3 of D.C. letter No. 20-5/47 MY dated 8-3-1946 from Sri R.A. Gopalaswamy, Esq., Joint secretary to Macfarquhar, Esq., Deputy Director of General (Dispoal)Directorate General Disposals, Shahjahan Road, New Delhi. (vide letter No. F. 20/6/46-MY dated 26-3-1946 from the Joint Secretary to the Government of India, Department of Agriculture, New Delhi to the Additional Secretary to the Government of Madras, Development Department, Madras.)

As the machinery have been purchased out right by Madr s government, Government of India, have to share 50% of the value of the depreciation and interest charges. If they still insist that the ryots also should bear 50% of interest and depreciation charges at least 25% of the depreciation and interest charges may be claimed from the Government of India.

Item II c. The Provincial Government should also recover the private farmers share of depreciation in connection with the scheme where the machinery is used and then claim the subsidy on the usual basis.

This subsidised scheme is one of the items of the original five year plan and approved by the Government of India The Government of India may therefore be informed that the condition that 50% of the cost should be recovered from the private farmers was not made clear to this government when

the machinery was originally purchased on the terms cited in the reference in item (i) above. Moreover this government was running this scheme on a subsidised basis largely for the benefit of poor land owners and the ryots were allowed to use these tractors on hire at concessional rates. Nothing more can be recovered from the ryots at this stage. The Government of India may be requested to subsidise 50% of the expenditure.

ITEM III. The M.B. sheds are to be used by the Provincial government for exclusively storing of implements seed and manures. This is a normal provincial responsibility and as such not eligible for subsidy. The use to which jeeps were put has not been specified and primafacie this item does not qualify for a subsidy.

The government of India may be informed that the work of construction of M.B. sheds was undertaken on a large scale as they originally promised to share 50% of the expenditure on account of the purchase of Thompson disposals committee materials. The letter of the Government of India quoted for item (i) holds good in this case also. As the construction involves a huge cost and this was done as a direct link to other grwo more food activities such as distribution of manures seeds etc. they may be asked to shar 50% of the expenditure claimed.

The lorries were used for quick movement of manures iron and steel, seed etc. The jeeps were used by the District Agricultural Officers for quick transport and to make themselves available on the spot in attending to all the Grow More food schemes. Even in this case only 50% of the depreciation and interest has been claimed and the

entire working expenditure is borne by the Madras government as per revised claim made. Hence the Government of India may be requested to pay 50% being the their share of expenditure as already claimed. In the case of 9 Pelapone engines the working cost has been taken into account for in the scheme of hiring of pumpsets and oil engines to ryots. This scheme has been subsidised by government of India from the year 1946-47. If ordered the cost of the 9 engines will be merged in that scheme from the year 1949-50 The government of India may be informed accordingly. For the previous years i.e. 1946-47 to 1948-49 the grant due from the Government of India may be obtained as in the case of 56 tractors referred to in item (i)

sd. B.M. Lakshmipathy,
Joint Director of Agriculture.

sd.

Senior Accounts officer.

Copy of letter No. S.S. 4.744 dated 10-12-49, from the Joint Director of Agriculture, to the Secretary to the Government, Food and Agricultural Department. Madras.

Sub: Agriculture- Grow More Food - Machinery received from Thompson disposal committee Grant from Government of India.

Ref: 1. Government Endorsement No. 64038M/48-3 d/28/6/49.

2. My letter No. SS.4 744/49 d/9/11/49.

I request early orders with reference to my letter cited above.

(TRUE COPY)

v.n.m. 12/6/

Food and Agricultural Deptt.

Endorsement No. 54038 M/49 dated

The matter is under the consideration of the Government.

Asst. Secretary to Government.

To

The Joint Director of Agriculture, Madras.

FOOD AND AGRICULTURE

* * *

Letter No. Ms. 164 dated 25--1-50.

To

The Secretary to the Government of India,

Ministry of Agriculture,

N e w D e l h i.

Sir,

Sub: AGRICULTURE - Grow More Food - Machinery received from Thompson Disposal committee Grant from the Government of India - Request of.

Ref: Sri S.T.Raja's letter No. F.8-51/48 G.M.F. d/21.7.49.

- - - - -

In this Government's letter No. Ms. 2346, Development dated 8--5--49, the Government of India were addressed for a half grant amounting to Rs.4.55 lakhs for the years 1946-47 and 1947-48, as detailed in Annexure I to this letter, representing the depreciation and interest charges on the machinery purchased from the Thompson Disposals Committee. But the Government of India have expressed their inability to sanction the grant for the three reasons mentioned in the letter cited. I am to offer the following remarks on the three points and to request that the Government of India may kindly reconsider their previous decision and sanction the grant of Rs.4.55 lakhs for 1946-47 and 1947-48 requested for by this government.

(1) THE GOVERNMENT OF INDIA SUBSIDISE DEPRECIATION CHARGES ONLY IN RESPECT OF THE MACHINERY USED IN CONNECTION WITH THE SPECIFIC GROW MORE FOOD SCHEMES. THE PROVINCIAL GOVERNMENT HAVE NOT INDICATED THE SPECIFIC USE TO WHICH THE MACHINERY WAS PUT:

The 36 tractors purchased from the Thompson Disposals Committee were all used for clearance of scrub jungles and for levelling and bunding virgin areas and old abandoned lands since they were heavy caterpillar tractors equipped with bull dozers and earth moving attachments. They were generally used in the Scheme for the reclamation of waste lands with tractors on a ~~xx~~ subsidised basis for which the government of India have sanctioned their grant for the years 1946-47 and 1947-48 in their letter No. 867/48 G.M.F. dated 15th July 1949. The depreciation charges and interest on capital invested on these 36 machines was not included in the above grant as a separate grant was expected for the purchase of articles from Thompson Disposals Committee with reference to the discussions held by Major General Thompson with the Advisers of this government at Madras on 3rd and 4th March, 1946. This was confirmed by the Government of India in Mr. R.A. Gopalaswami's letter No. F.30-6/46 MY dated 25--3--46 - vide item (ii) in the extract of the D.O. No. 20.6/46/MY dated 8-3-46 from Gopalswamy to Mr. MacFarquhar, Deputy Director General (Disposals) Directorate General of Disposals, New Delhi. As the machinery have been purchased out right by this government on the assurance given by the Government of India it is but fair that they now share 50% of the depreciation and interest charges.

(ii) THE PROVINCIAL GOVERNMENT SHOULD ALSO RECOVER THE PRIVATE FARMERS' SHARE OF THE DEPRECIATION IN CONNECTION WITH THE SCHEME WHERE THE MACHINERY IS USED AND THEN CLAIM THE SUBSIDY ON USUAL BASIS.

This scheme for the hiring of tractors on a subsidised basis was one of the items of the original Five Year Plan approved by this Government in their proceedings No. 2535, Development dated 9--6--47, The

government of India also approved the plan. The condition that 50% of depreciation and interest charges should be recovered from private farmers was not made clear to this government, when the machinery was originally purchased on the terms cited in Mr. Gopalaswamy's letter referred to item 'i' above. Moreover, this government are running this scheme on a subsidised basis largely for the benefit of poor land owners who are xix allowed to use these tractors at concessional rates, of hire charges. As nothing more can be recovered from the ryots at this distance of time, it is but reasonable that the government of India should subsidise 50% of the depreciation and interest charges, as originally promised by them.

(iii) M.& B. SHEDS ARE TO BE USED BY THE PROVINCIAL GOVERNMENT FOR EXCLUSIVELY STORING OF IMPLEMENTS, SEED AND MANURES. THIS IS A NORMAL PROVINCIAL RESPONSIBILITY AND AS SUCH, NOT ELIGIBLE FOR ANY SUBSIDY. THE USE TO WHICH JEEPS WERE PUT TO HAS NOT BEEN SPECIFIED AND PRIMAFACIE, THIS ITEM DOES NOT QUALIFY FOR ANY SUBSIDY:

The work of construction of M & B sheds on a large scale was undertaken by this government for the quick distribution of manure, seed and implements as a direct link to the other G.M.F. activities which have increased to a great extent during the years 1945 to 1949. The lorries purchased from the Thompson Disposals committee were used for quick movement of manures, iron and steel, seeds etc. which is essential for the success of the Grow More Food campaign. The jeeps were used by D.A.Os. for quick transport and to make themselves available on the spot

for attending to all the G.M.F. Schemes. In view of the foregoing, it cannot be said that these items are not eligible for a grant from the government of India. Even in these cases, only 50 per cent of the depreciation and interest charges has been claimed and the entire working expenditure is borne by this government as per the revised claim made. As this government of India originally promised to bear 50% of the loss on account of the of all the machinery purchased from the Thompson Disposal Committee, it does not appear fair that the Government of India should now go back on their earlier assurances.

2. I am also to furnish in Annexure II to this letter particulars shewing the depreciation and interest charges on account of the machinery purchased from the Thompson Disposals committee and the half grant of Rs.2,55,979/- due from the government of India for thex year 1948-49. I am to request that the sanction of the government of India for a half grant of Rs.2,55,979/- may also be obtained and communicated to this government at an early date.

3. I am to add that the government of India have sanctioned a half grant on the general scheme for the hiring of pumpsets to ryots at concessional rates during thex years 1946-47, 1947-48 and 1948-49, in their letters Nos. F.1.85/49 IRN dated 5/4/49, 838/48 GMF.dated 20/1/49 and F.8.38/48GMF d/13/7/49 respectively. The 9 Pelapole oil engines for which grant has been claimed by this government for the years 1946-47 1947-48 and 1948-49 in item 5 of the Annexures will be merged in the above general scheme from the year 1949-50.

4. I am also to point out that the revised rules

for the grant of subsidy communicated by the government of India in the Ministry of Agriculture in their letter No. F.1 5/49 GM.F.dated 26-8-49 , Ministry of Food letter No. PY 1. 619/86/49 dated 11-11-1949, and No.F.7-77-49 G.M.F. (PL) dated 5-12-1949 should not apply to this scheme, as the Government of India had originally agreed to subsidise 50% of the loss on account of this Scheme. This government also feel that a much frequent changes in policy in regard to these subsidies undermine the confidence of the ryots, who would naturally feel reluctant to ask for or accept government help in growing more food.

Yours faithfully

sd. xxxx

ANNEXURE I.

STATEMENT SHOWING THE PARTICULARS OF DEPRECIATION AND INTEREST ON THE CAPITAL COST OF MACHINERY ACQUIRED FROM THE THOMPSON DISPOSALS.

For 1946-47.

Description of Machinery.	No. purchased.	Capital cost.	Depreciation @ 20% of the the capital cost.	Interest @ 50% of the capital cost	Total.
1	2	3	4	5	6
Cost of 36 tractors & equipment.	36	8,70,813/-	1,74,162/10/-	43,540/10/-	2,17,703/4/
Cost of 40 os of 3 tons trucks.	40	2,04,000	40,800/-	10,200/-	51,[illegible]
Cost of 30 jeeps.	30	1,20,000	24,000/-	6,000	30,000
ost of M.B. Sheds	46	4,93,950	98,410	24,602/8/	1,23,012/8/
elapene Oil engines	9	36,000	7,380	1,845	9,225
		17,83,763	3,44,752/10/	86,186/2/	4,30,940/12

p.t.o.

1	2	3	4	5	6	Government of India's share 7
						1,08,851 10 0
						25,500 0 0
						15,000 0 0
						61,506 4 0
						4,618 8 0
						3,15,470 6 0

For 1947-48.

1. Cost of 36 tractors and equipments.	36	8,70,813	8	0	1,74,162	10	0	43,540	10	0	2,17,703	4	0	1,08,851	10	0
2. Cost of 40 nos. of 5 ton trucks.	40	3,04,000	0	0	40,800	0	0	10,200	0	0	51,000	0	0	25,500	0	0
3. Cost of 30 nos. of jeeps.	30	1,20,000	0	0	24,000	0	0	6,000	0	0	30,000	0	0	15,000	0	0
4. cost of MB sheds.	46	6,83,407	4	0	1,36,681	8	0	34,170	6	0	1,70,851	14	0	85,425	15	0
5. Pelapone oil																

, continued on page 7.

	2	3	4	5	6	7
5. Pehapene oil engines.	9	36,900 0 0	7,380 0 0	1,845 0 0	9,225 0 0	4,612 8 0
		19,15,120 4 0	5,83,024 - 4 - 0	95,756 0 0	4,78,780 2 0	2,39,390 1 0

Total grant from the Government of India for 1946-47 and 1947-48.

for the year 1946-47 Rs.2,15,470 6 0

for the year 1947-48 2,39,390 1 0

Rs.4,54,860 7 0

ANNEXURE.II

Statement showing the Particulars of depreciation and Interest on the capital cost of machinery acquired from the Thompson Disposals for 1948-49.

S. No.	Description of Depreciation of machinery.	No. purchased.	capital cost.	Depreciation at 20% of the capital cost.	Interest at 4% of the capital cost.	Total.	Government's of India 's share
1.	2	3	4	5	6	7	8
1.	cost of 36 tractors and equipments.	36	8,70,813	1,74,162 10 0	43,540 10 0	2,17,703 4 0	1,08, 851 10 0
	of 40 numbers wacks.	40	2,04,000	40,800 0 0	10,200 0 0	51,000 0 0	25,500 0 0

p-t-o-

3. Cost of 30 nos. of jeeps.	~~1,20,000~~ 30	~~24,000~~ 1,20,000	~~6,720~~ 24,000	~~20,000~~ 6,000	30,000	~~24,000~~ 15,000
4. Cost of M.B. Sheds.	46	8,30,220	1,64, 044 4 0	41,011	2,05,955	1,02,522
5. Pelapole oil engine.	9	32,800	6,560 0 0	1,640	8,200	4,100
		20,47,835	4,09, 566 10 0	1,02,391 10 0	5,11,958 4 0	2,55,979 6 0

Total share of the Government of India for 1946-49 Rs.2,55,979 6 0

/true copy/

v.n.m. 11/6/

Superintendent.

Compared
R. Mohd Yaseen Sahib
N. Raghavan.

No. 6-51/48 G.M.F. (PL)

Government of India,

Ministry of Agriculture,

New Delhi, the 17th April 1950.

From

Shri S.T. Raja, B.A., LL.B., Barbat-law,

Under Secretary, Ministry of Agriculture,

Government of India.

To

The Secretary to the Government of Madras,

Food and Agriculture Department, Madras.

Subject: G.M.R. Machinery received from Thompson Disposals committee - Grant towards depreciation and interest charges - 1946-47 to 1948-49.

- - - -

Sir,

I am directed to refer to your letter No. M.S164, dated the 25th January, 1950, on the subject mentioned above and to say that the Government of India regret their inability to share the depreciation and interest charges on trucks, jeeps and M.B. Sheds since the maintenance of such equipmentis considered to be a part of the normal activities of the State Agricultural Department and need not come under G.M.F. Activities.

2. Regarding tractors and Pelapone oil Engines, the depreciation and interest charges should have been included in the relevant schemes forthex years 1946-47, 1947-48 and 1948-49 and the Government of India regret their inability to share any expenditure in connection with thase two xx items at this late stage.

3. In view of what is stated above, it is hoped that the State Government would not press the matter further.

Yoursfaithfully,

sd. S.T. Raja,

Under Secretary.

Endtt. 14449 M/50 - 3 dated 24-5-50. A copy communicated to the

Note File

XXX XXX XXX XXX

FOOD AND AGRICULTURE

SUMMARY.

In this Government's letter No. 3686, Development dated 29-6-1948, the Government of India were addressed for a grant of Rs.19.64 lakhs under capital cost and Rs.46,192 under recurring expenditure in connection with the machinery purchased from the Thompson Disposal committee early in 1946. In ~~xxx~~ July 1948, the Government of India informed this government that the residual value of the machinery was not taken into account while arriving at the share of the Government of India and that the expenditure on each item of machinery should be related to the scheme for which the machinery was to be used. They accordingly asked this government to reivse the scheme in the light of the above remarks and forward fresh proposals. As the Government of India expressed their regret to give any capital grant, revised proposals were forwarded in consultation with the Joint Director of Agriculture for a grant amounting to Rs.4,55 lakhs only which represent the depreciation and interest charges on themachinery.

2. The Government of India expressed their inability to give any grant on this scheme for the following reasons:

(i) that they will subsidise depreciation charges only in respect of machinery used in connection with specific G.M.F. schemes and that the Provincial Government have not indicated the specific use to which the machinery was put;

(ii) that half the depreciation should be recovered from the cultivators and the other half only to be subsidised by the Provincial and Central Government on the usual basis; and

(iii) that the M.B. sheds were used for storage of agricult implements, manures and seeds and such storage is a norma Provincial responsibility and as such is not eligible for a subsidy. The use of jeeps also is not eligible for a subsidy. The Joint Director of Agriculture who was asked to furnish full information on the three points raised by the Government of India, above, has answered these points in his report at pp. 11.12 c.f. A draft reply to the Government of India on the lines of the Joint Director of Agriculture's letter which is self explanatory, is submitted for approval. Para 3 of the draft provides for a request to the Government of India for a grant on the scheme for the year 1948-49.

It may be sent to Finance for acceptance.

3. According to the recent revised policy of the Government of India, this scheme is not eligible for a grant under the Central Procurement Bonus fund except in respect of the pumpsets. But as the Government of India have originally promised to bear 50% of the cost on account of the purchase of the machinery from the Thompson Disposals committee, it is proposed to press India for the sanction of the grant asked for.

S.O.U.O. 6405S/M/49 -4 3/4-1/50.

Finance (PWR.)

Notes from p. 10 above and the draft letter to the Government of India may be perused and the case returned to F.A.

F. & A. Deptt.

To A.S.

To A.S.

Summarising notes from page 10 above , the finance department s notes above may be read. The draft letter to the Government of India below may now issue after circulation to H.M. Agriculture.

The draft letter to the Government of India put up below may be approved.

A.B.S. H.M. Agri.

Issued as letter Ms. 164 Food and Agriculture Exx dated 25-1-50-

Food and Agric. (M) Dept.

Sub: AGRICULTURE . Grow More Food - Machinery received from Thompson Disposals - Grant from the Government of India - Claiming of.

Ref: Issued as letter Ms. 164 F. &A.d/28-1-50

Issued as Letter No.14449 M/50-1 d/7-3-50

From the Board of Revenue (CFP)Ref. No.2673/50 FP.III dated 10-4-1950.

From the Joint Director of Agriculture letter No. 38.4. 744/49 d/15-4-1950.

From the Governmentof India letter No. 8.51/48-Grow (DI) dated 17/18-4-50.

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To A.S.

In this Government's letter No.3486 Development dated 29- 6-1948, the Government of India were addressed for a grant of Rs.10.64 lakhs under capital cost and Rs.46,192/- under recurring expenditure in connection with the machinery purchased from the Thompson Disposal committee early in 1946. In July 1948, the Government of India were informed this government that the residual value of the machinery was not taken into account while arriving at the share of the Government of India and that the expenditure on each item of machinery should be related to the scheme for which the machinery was to be used. They accordingly asked this government to revise the scheme in the light of the above and forward fresh proposals. As the Government of India expressed their regret to give any capital grant, revised proposals were forwarded in consultation with the Joint Director of Agriculture for a grant amounting to Rs.4.55. Lakhs only which represent the depreciation and interest charges on the machinery.

2. The government of India expressed their inability to give any grant on this scheme for the following reasons:

(i) that they would subsidise depreciation charges only in respect of machinery mused in connection with specific G.M.F. schemes and that the Provincial Government had not indicated the specific use to which the machinery was m put;

(ii) that half the depreciation should be recovered from the cultivators and the other half only to be subsidised by the Provincial and Central Governments on the usual basis; and

(iii) that the M.B. sheds were used for storage of agricultural implements, manures and seeds and such storage m was a normal Provincial responsibility and as such was not eligible for a subsidy. The use of jeeps also was not eligible for a subsidy. The Joint Director of Agriculture was was asked to furnish full information on the three points raised by the Government of India above answered these points seriatim in his report at pp.11.12 c.f. fe G.O. At (C)

3. According to the recent revised policy of the Government of India, this scheme is not eligible for a grant under the central Procurement Bonus except in respect of pumpsets. But as the Government ofIndia originally promised to bear 50% of the cost on account of the purchase of the machinery from the Thompson Disposal committee, this government answered the points raised by India referred to in para 2 above and pressed that the grant asked for on the scheme may be sanctioned for the year 1946-47 & 1947-48 and 1948-49.

4. The reply from the Government of India in the matter is submitted for perusal at p. 7 .c.f In the circumstances reported therein they have regretted their inability to share any expenditure at this late stage and they hope that this Government would not press the matter further. For orders whether the matter need be perused further.

N. Rashiyam

Superintendent